

STATE OF ALABAMA)

COUNTY OF SHELBY)

LEASE AGREEMENT

Lease Agreement dated as of October 1, 1965, between THE INDUSTRIAL DEVELOPMENT BOARD OF THE TOWN OF PELHAM, a public corporation and instrumentality under the laws of the State of Alabama (herein called the "Board"), and MOORE-HANDLEY, INCORPORATED, a corporation organized and existing under the laws of the State of Alabama (herein called the "Company").

R E C I T A L S:

The Board proposes to acquire the real property hereinafter described, and to construct thereon and to equip and furnish the Plant hereinafter defined. To finance the acquisition of said real property, the construction of the Plant and the purchase and installation therein of machinery and equipment, all for the promotion of local manufacturing and industrial development, the Board proposes to authorize the issuance of \$1,100,000 principal amount of its First Mortgage Commercial Development Revenue Bonds, to be dated October 1, 1965 (herein called the "Bonds"), which are more particularly described in the Mortgage hereinafter referred to. The Bonds are to be secured by a pledge and assignment of the Board's interest in this Lease Agreement and by a pledge and assignment of the revenues and receipts derived by the Board from the leasing or sale of the Project hereinafter referred to and will be issued under and additionally secured by a Mortgage and Indenture of Trust dated as of October 1, 1965 (herein called the "Mortgage") from the Board to The First National Bank of Birmingham, Birmingham, Alabama (herein called the "Trustee"), under which the revenues and receipts derived by the Board from the leasing or sale of the said Project will be pledged for the payment of the principal of and the interest on the Bonds and under which the said Project will be mortgaged and conveyed to the Trustee as additional security for payment of said principal and interest. The mortgage is to be in substantially the form attached hereto as Exhibit A.

The acquisition of said real property, the construction thereon of the Plant, the purchase and installation of machinery and equipment therein, the issuance and sale of the Bonds and the lease of said real property, Plant, machinery and equipment to the Company will promote industry, develop trade and further the use of its agricultural products and natural resources by inducing a commercial enterprise to establish a new project in this State. Under the provisions of Act No. 648 enacted at the 1949 Regular Session of the Legislature of Alabama, as amended, the Board has the power to acquire said real property, to construct the Plant thereon, to purchase and install machinery and equipment therein, to issue and sell the Bonds and to lease said property, Plant, machinery and equipment to the Company. To achieve the objectives mentioned above, the Board and the Company have entered into this Lease Agreement.

NOW, THEREFORE, THIS AGREEMENT

W I T N E S S E T H :

That in consideration of the respective agreements on the part of the Board and the Company hereinafter contained, the Board does hereby lease to the Company, and the Company does hereby rent from the Board, for and during the Primary Term hereinafter referred to and upon and subject to the terms and conditions hereinafter specified, the following described real property situated in Shelby County, Alabama (the said real property being herein called "the Leased Realty"):

From the Southwest corner of Section 13, Township 20 South, Range 3 West, Shelby County, Alabama, run easterly along the South boundary line of the said Section 13 a distance of 764.69 feet, more or less, to the point of intersection of the South boundary line of said Section 13 and the West right of way line of U. S. Highway 31; thence turn an angle of 102° 18' to the left and run Northwesterly along the West right of way line of U. S. Highway 31 a distance of 662.23 feet to the point of beginning of the property herein described; thence from the said point of beginning continue Northwesterly along the West right of way line of U. S. Highway 31 a distance of 655.57 feet; thence turn an angle of 77° 42' to the

left and run Westerly a distance of 848.51 feet, more or less, to a point on the East right of way line of the Old Montgomery Highway; thence turn an angle of $90^{\circ} 12'$ to the left and run Southerly along the East right of way line of the Old Montgomery Highway a distance of 249.15 feet; thence turn an angle of $6^{\circ} 24'$ to the left and continue Southerly along the East right of way line of the Old Montgomery Highway a distance of 282.26 feet, more or less, to a point where the line of the most Northerly wall of a building belonging to the Alabaster Industrial Development Board, if projected in a westerly direction, would intersect the said East line of the Old Montgomery Highway; thence turn an angle of $90^{\circ} 08'$, more or less, to the left and run in an Easterly direction along said Westerly projection of said Northerly line of said building and along said Northerly line, a distance of 313.19 feet, more or less, to the Northeast corner of said building; thence turn an angle of 90° , more or less, to the right and run in a Southerly direction along the Easterly line of said building a distance of 222.33 feet, more or less, to the Southeast corner of said building; thence turn an angle of 90° , more or less, to the left and run in an Easterly direction a distance of 621.73 feet, more or less, to the point of beginning,

together with the Plant and the Leased Equipment, both hereinafter referred to, and all other improvements thereto now or hereafter made (the said real property, Plant, Machinery, equipment and improvements, as they may at any time exist, being herein together called the "Project"). This Lease Agreement is made, however, upon and subject to the following terms and conditions, to each of which the Board and the Company hereby agree:

ARTICLE I

Constructing and Financing the
Plant and the Leased Equipment

Section 1.1 Agreement to Construct Plant and to Purchase and Install Leased Equipment. Promptly following the issuance and sale of the Bonds and out of the principal proceeds derived therefrom, the Board (a) will acquire the Leased Realty and construct thereon a building containing approximately 190,000 square feet of floor space and facilities and improvements suitable for storing, warehousing, distributing and selling building material, products and supplies, appliances, industrial machinery and supplies, hardware, machinery and other products of industry (said main building, together with appurtenant facilities and other improvements, will herein sometimes be referred to as "the Plant"), substantially in accordance with plans and specifications therefor to be prepared by the Company for the account of the Board and to be furnished to the Board by the Company, and (b) will purchase and install in the Plant such items of machinery and equipment as shall from time to time be specified in written orders from the Company to the Board (said machinery and equipment being herein together called "the Leased Equipment"), such purchases and installations to be made substantially in accordance with orders and directions from the Company prepared for the account of the Board. All contracts and orders for such construction, purchase and installation, which contracts and orders may provide for progress payments, and all request for payments out of the Construction Fund (to be created in the Mortgage and herein called "the Construction Fund") shall be signed on behalf of the Board, subject to written approval by the Company in all respects. If, after the exercise of due diligence by the Board, it is impossible for the Board to construct any part of the Plant which the Company duly orders and directs the Board so to construct or to purchase and install in

the Plant any item of the Leased Equipment which the Company duly orders and directs the Board so to purchase and install, the Company (a) will withdraw the order and direction in question, or (b) will itself effect the construction or purchase and installation ordered thereby, for and in the name and behalf of the Board, in which case the Company shall be entitled to reimbursement from the Construction Fund for the costs incurred by it in effecting such construction or purchase and installation, as the case may be.

The Board and the Company shall from time to time each appoint by written instrument an agent or agents authorized to act for each respectively in any or all matters relating to the construction of the Plant, the purchase and installation of the Leased Equipment and payments out of the Construction Fund. One of the agents appointed by the Company shall be designated its "Project Manager". Either the Board or the Company may from time to time revoke, amend or otherwise limit the authorization of any agent appointed by it to act on its behalf and designate another agent or agents to act on its behalf, provided that there shall be at all times at least one agent authorized to act on behalf of the Board, and at least one agent (who shall be the Project Manager) authorized to act on behalf of the Company, with reference to all the foregoing matters. In the event that after reasonable request made to the Board by the Company, the Board fails or refuses to enter into or execute any contract or order for such construction, purchase or installation and fails or refuses to issue or execute a payment requisition from the Construction Fund for payment of any item that may under the terms of the Mortgage be paid from the Construction Fund, the Project Manager then designated by the Company, who is hereby irrevocably appointed as agent for the Board for such purposes, (a) may enter into, execute and deliver any such contract or order, for and in the name and on behalf of the Board,

or (b) may issue and execute, also for and in the name and behalf of the Board and without any approval of any officer, employee or other agent thereof, payment requisition on the Construction Fund, as the case may be.

Section 1.2 Development and Design Expenses Incurred by Company. In order to expedite the construction of the Plant, the Board has heretofore authorized the Company to go forward with the planning, development and design thereof and with the planning, development and design of the items of Leased Equipment to be installed in the Plant. The Board acknowledges that all reasonable costs, expenses and fees (including, without limitation, engineering, architectural, legal, procurement, accounting and auditing fees and expenses) incurred by the Company in connection with such planning, development and design (whether before or after the execution and delivery of this Lease Agreement or before or after the issuance and sale of the Bonds) constitutes a part of the project costs, for which the Company shall be entitled to reimbursement from the Construction Fund.

Section 1.3 No Warranty of Suitability by Board. The Company recognizes that since the plans and specifications for the Plant are to be prepared by it, and that since the items of Leased Equipment are to be selected by it, the Board can make no warranty, either express or implied, or offer any assurances that the Plant or the Leased Equipment will be suitable for the Company's purposes or needs or that the proceeds derived from the sale of the Bonds will be sufficient to pay in full all the project costs.

Section 1.4 Completion of the Project. In the event that for any reason the amount on deposit in the Construction Fund is insufficient to pay all costs of completing the Project, the Company shall nevertheless complete the Project without delay and pay all costs thereof in excess of the amount available therefor in the Construction Fund. The Company shall not by reason of the payment

of such excess costs from its own funds be entitled to any diminution in the payment of the rents hereunder.

Should the Company fail to comply with the foregoing provisions of this Section, the Board shall have any one or more of the following Remedies:

(a) The Trustee shall be entitled to retain all payments made as rent under this Lease Agreement by the Company, and the Company shall be obligated to pay to the Trustee the rental payments as they become due as liquidated damages, subject, however, to a credit for the net proceeds which the Trustee may receive from the sale of the Project or any part thereof, or from the lease or sublease of the Project or any part thereof to others than the Company herein, during and for the unexpired term of this Lease Agreement; or

(b) The Board may take possession of the Leased Realty and complete the Project at the expense of the Company, which expense with six per cent interest and a reasonable attorney's fee, if the services of an attorney are required for the collection thereof, the Company hereby agrees to pay; or

(c) The Board may terminate this Lease Agreement and sue for damages for breach thereof.

Section 1.5 Supplemental Agreement on Completion. Upon completion of construction of the Plant and the purchase and installation of the Leased Equipment therein, the Board will, on written request of the Company or the Trustee, enter into a supplemental agreement with the Company identifying the items of Leased Equipment installed in the Plant and confirming the lease thereof to the Company hereunder.

ARTICLE II

Duration of Lease Term and Rental Provisions

Section 2.1 Duration of Term. The primary term of this Lease Agreement and of the lease herein made (herein called "the Primary Term") shall begin on the date the construction of the Plant and the installation of the Leased Equipment are completed or on October 1, 1966, whichever date is earlier, and, subject to the provisions of this Lease Agreement, shall continue until midnight of September 30, 1985, but the Company will be permitted to have such possession of the Project prior to the beginning of the Primary Term as shall not interfere with the construction of the Plant and the installation of the Leased Equipment therein. The Board will deliver to the Company sole and exclusive possession of the Project on the commencement date of the Primary Term, subject to the inspection and other rights reserved in Section 6.2 hereof, and the Company will accept possession thereof at such time; provided, however, that in the event the Primary Term begins prior to the date the construction of the Plant and the installation of the Leased Equipment therein are completed, the Board will be permitted such possession of the Project as shall be necessary and convenient for it to complete the construction of the Plant and the installation of the Leased Equipment therein, and provided further, that the Board will be permitted such possession of the Project as shall be necessary and convenient for it to construct or install any additions or improvements and to make any repairs or restorations required or permitted to be constructed, installed or made by the Board pursuant to the provisions hereof or pursuant to the provisions of any agreement between the Company and the Board supplemental hereto.

Section 2.2 Rental Provisions. For and during the Primary Term, the Company will pay to the Board not less than the following

basic rental (herein called "Basic Rent") for use and occupancy of the Project:

(a) On or before the 20th day of each month, beginning October 20, 1966, an amount equal to one-sixth ($1/6$) of the interest becoming due on all outstanding Bonds on the next succeeding interest payment date, plus

(b) On or before the 20th day of each month, beginning October 20, 1966, an amount equal to one-twelfth ($1/12$) of the principal of the outstanding Bonds due and payable on the then next succeeding principal payment date.

All Basic Rent payments shall be made directly to the Trustee, or to its successor as Trustee under the Mortgage, for the account of the Board, shall be deposited in the Bond and Interest Fund established under the Mortgage, and shall continue until the amount in the Bond and Interest Fund shall have become sufficient to pay in full the principal of (including redemption premium), and interest on all outstanding Bonds either at maturity or on earlier redemption. Any payment of Basic Rent due hereunder that is not made within ten (10) days of the due date thereof shall bear interest from that date until paid at the rate of six per cent per annum.

The Company will also pay, as additional rental, the reasonable fees, charges and expenses of the Trustee under the Mortgage (other than the initial fee or charge of the Trustee) and of the paying agents for the Bonds, such fees, charges and reimbursement for expenses to be paid directly to the Trustee and such paying agents for their own account as and when such fees, charges and expenses become due and payable.

Section 2.3 Obligations of Company Unconditional. The obligation of the Company to pay the Basic Rent, to make all other payments provided for herein and to perform and observe the other agreements and covenants on its part herein contained shall be absolute and unconditional, irrespective of any rights of set-off, recoupment or counterclaim it might otherwise have against the Board. The Company will not suspend or discontinue any such payment or fail to perform and observe any of its other agreements and covenants contained herein or terminate this Lease Agreement for any cause, including, without limiting the generality of the foregoing, any acts or circumstances that may constitute an eviction or constructive eviction, failure of consideration or commercial frustration of purpose, or any damage to or destruction of the Project, or the taking by eminent domain of title to or the right to temporary use of all or any of the Project, or any change in the tax or other laws of the United States of America, the State of Alabama or any political subdivision of either thereof, or any failure of the Board to perform and observe any agreement or covenant, whether express or implied, or any duty, liability or obligation arising out of or connected with this Lease Agreement. Notwithstanding the foregoing, the Company may, at its own cost and expense and in its own name or in the name of the Board, prosecute or defend any action or proceeding or take any other action involving third persons which the Company deems reasonably necessary in order to secure or protect its rights of use and occupancy and other rights hereunder. The provisions of the first and second sentences of this Section shall apply only so long as any part of the principal of and the interest on the Bonds remain outstanding and unpaid, and nothing contained therein shall be construed to affect adversely or to impair the option to terminate this Lease Agreement granted in Section 8.2 hereof. Furthermore, except as provided in the first and second sentences of this Section, nothing contained herein shall be construed to be a waiver of any rights which the Company may have against the Board under this Lease Agreement or under any provision of law.

Section 2.4 Investment of Funds. The Board shall cause the Trustee to invest and reinvest the monies from time to time in the Construction Fund, and the monies from time to time in the Bond and Interest Fund, in the manner and to the extent and with such application of the income therefrom as is provided in the Mortgage.

ARTICLE III

Maintenance, Taxes and Insurance

Section 3.1 Maintenance, Alterations and Improvements.

(a) The Company will, at its own expense, keep the Plant, the Leased Equipment and the other improvements located on the Leased Realty in good order and repair, and from time to time make all needful and proper repairs to the Plant and repairs, renewals and replacements to the Leased Equipment. The Company agrees to pay all gas, electric light and power, water, sewer and all other charges for the operation, maintenance, use and upkeep of the Plant, Leased Equipment and Project.

(b) The Company may, also at its own expense, make any additions, improvements or alterations to the Project that it may deem desirable for its business purposes, provided that such additions, improvements or alterations do not adversely affect the value or utility of the Project or its character as a "project" under said Act No. 648. In lieu of making such additions, improvements or alterations itself, the Company may, if it so desires, furnish to the Board the funds necessary therefor, in which case the Board will proceed to make such additions, improvements or alterations.

(c) All such additions, improvements and alterations, whether made by the Company or the Board, shall become a part of the Project and shall be covered by the Mortgage; provided, however, that any machinery, equipment, furniture or fixtures installed by the Company (not the Board) on the Project without expense to the

Board and not constituting a part of the Leased Equipment or repairs, renewals or replacements of the Leased Equipment or repairs to the Plant, may be removed by the Company at any time and from time to time while it is not in default under the terms of this Lease Agreement; and provided further, that any damages to the Project occasioned by such removal shall be repaired by the Company at its own expense. The Company will not permit any mechanics' or other liens to stand against the Project for labor or material furnished it in connection with any additions, improvements, alterations or repairs so made by it. The Company may, however, in good faith contest any such mechanics' or other liens and in such event may permit any such liens to remain unsatisfied and undischarged during the period of such contest and any appeal therefrom, unless by such action the lien of the Mortgage on the Project or any part thereof, or the Project or any part thereof, shall be subject to loss or forfeiture, in either of which events such mechanics' or other liens shall be promptly satisfied.

(d) The Company may, also at its own expense, connect or "tie-in" walls and utility and other facilities located on the Leased Realty to other facilities owned or leased by it on real property adjacent to the Leased Realty or partly on such adjacent real property and partly on the Leased Realty, but only if the Company furnishes the Board and the Trustee a certificate by an architect registered in the State of Alabama, with experience in the design and construction of industrial and commercial buildings and structures, reasonably satisfactory to the Trustee, certifying that such connection and "tie-in" of walls and facilities will not unreasonably interfere with the use of the Plant.

Section 3.2 Taxes, Other Governmental Charges and Utility Charges. The Board and the Company acknowledge (a) that under present law no part of the Project owned by the Board will be subject to ad valorem taxation by the State of Alabama or by any

political or taxing subdivision thereof and that under present law the income and profits (if any) of the Board from the Project are not subject to either Federal or Alabama taxation, and (b) that these factors, among others, induced the Company to enter into this Lease Agreement. However, the Company will pay, as the same respectively become due, all taxes and governmental charges of any kind whatsoever that may at any time be lawfully assessed or levied against or with respect to the Project or any machinery, equipment or other property installed or brought by the Company therein or thereon (including, without limiting the generality of the foregoing any taxes levied upon or with respect to the income or profits of the Board from the Project which, if not paid, will become a lien on the Project prior to the lien of the Mortgage or a charge on the revenues and receipts therefrom prior to the charge thereon and pledge or assignment thereof to be created and made in the Mortgage), all utility and other charges incurred in the operation, maintenance, use, occupancy and upkeep of the Project, and all assessments and charges lawfully made by any governmental body for public improvements that may be secured by lien on the Project; provided, that with respect to special assessments or other governmental charges that may lawfully be paid in installments over a period of years, the Company shall be obligated to pay only such installments as are required to be paid during the term hereof. The foregoing provisions of this section shall be effective only so long as any part of the principal of or the interest on the Bonds remains outstanding and unpaid.

The Company may, at its own expense and in its own name and behalf or in the name and behalf of the Board, in good faith contest any such taxes, assessments and other charges and, in the event of any such contest, may permit the taxes, assessments or other charges so contested to remain unpaid during the period of

such contest and any appeal therefrom unless by such action the title of the Board to any part of the Project shall be materially endangered or the Project or any part thereof shall become subject to loss or forfeiture, in which event such taxes, assessments or charges shall be paid prior to becoming delinquent. The Board will cooperate fully with the Company in any such contest.

Section 3.3 Insurance. (a) The Company will cause the Project to be insured and at all times keep the Project insured, even during the construction thereof, against loss and/or damage to the Project by fire and other perils customarily covered by the extended coverage clause of fire insurance policies, and also by riots and civil commotion, vandalism and malicious mischief. The Company will pay all premiums on such insurance. All such policies shall be for the benefit of the Board, the Company and the Trustee as their interests shall appear, shall be made payable to the Trustee and shall be deposited with the Trustee, and the Trustee shall have the sole right to receive the proceeds from such policies and to collect and receipt for claims thereunder. All such insurance policies shall be taken out and maintained in generally recognized responsible insurance companies, each of which is qualified and authorized to assume the respective risks undertaken, and shall be in the amount of (i) the full insurable value of the Project, or (ii) the amount required to pay the principal of and interest on the Bonds as they mature and come due, or (iii) the redemption price thereof, whichever is less. No policy of insurance shall be so written that the proceeds thereof will produce less than the minimum coverage required by the preceding sentence, by reason of co-insurance provisions or otherwise, without the prior consent thereto in writing by the Trustee. In lieu of depositing the policy or policies of insurance with the Trustee, the Company may deposit with the Trustee a certificate or certificates of the respective insurers

attesting the fact that such insurance is in force and effect. Prior to the expiration or cancellation of any such policy, the Company will furnish the Trustee satisfactory evidence that such policy has been renewed or replaced by another policy. The Company may insure under a blanket insurance policy or policies, and in the event the insurance coverage is by such blanket insurance coverage, it shall be sufficient to furnish to the Trustee a certificate or duplicate copy of each such blanket policy of insurance.

(b) The Company shall also take out and at all times maintain and pay the premium on policies of public liability insurance in generally recognized responsible insurance companies, each of which is qualified to assume the risks, for the benefit of the Trustee, the Board and the Company as their interests may appear, against liability for injuries to persons and property or death or accidental injuries arising out of the occupancy, use or operation of the Project, in the minimum amount of \$100,000 liability to any one person for personal injury or death, \$500,000 liability for all personal injury and death in any one accident, and \$100,000 liability for property damage in any one accident. Such insurance shall be provided from the date any of the Bonds are sold and delivered by the Board and shall be effective while the Project is being constructed as well as thereafter during the entire term of the lease. The insurance policies or certificates evidencing the same shall be filed with the Trustee so long as any of the Bonds shall be outstanding and thereafter with the Board. Such policies or certificates shall be filed with the Trustee on or before the delivery and sale of any of the Bonds. Such insurance may also be provided under a blanket insurance policy or policies as hereinabove provided.

Section 3.4 Advances by Board or Trustee. In the event the Company fails to take out or maintain the full insurance coverage required by this Lease Agreement, fails to pay the taxes and

other charges referred to in Section 3.2 hereof at or prior to the time they are there required to be paid, or fails to keep the Plant, the Leased Equipment and the other improvements located on the Leased Realty in good order and repair, the Board or the Trustee, after first notifying the Company of any such failure on its part, may (but shall not be obligated to) take out the required policies of insurance and pay the premiums on the same, pay such taxes or other charges, or make such repairs as may be necessary to maintain the Plant, the Leased Equipment and the other improvements located on the Leased Realty in good order and repair, respectively; and all amounts so advanced therefor by the Board or the Trustee shall become an additional obligation of the Company to the Board or to the Trustee, as the case may be, which amounts, together with interest thereon at the rate of 6% per annum from the date thereof, the Company will pay. Any remedy herein vested in the Board or the Trustee for the collection of the rental payments shall also be available to the Board and the Trustee for the collection of all such amounts so advanced.

Section 3.5 Indemnity of Board. The Board shall not be liable for any damage or personal injury to the Company, its officers, employees or the public, caused by or growing out of any breakage, leakage, getting out of order, or defective condition of any water or sewer pipe, toilets, plumbing, electric wires, gas pipes, fixtures, apparatus, or connections, or machinery or equipment or any of them, on the Leased Realty, or caused by or growing out of any defects in the Project or any part thereof, even if such defect occurred or existed prior to the delivery of possession of the Leased Realty and the Project to the Company. The Company shall save the Board harmless from any action, suit, judgment or liability against the Board on account of any defects in the condition of the premises for any personal injury or property damage occasioned or claimed to have occasioned thereon or thereby

and shall defend the Board against all such claims at the Company's expense. The Board shall promptly notify the Company of any and all such claims and shall cooperate with the Company in the defense thereof. Failure of the Board to notify the Company of such claim within time to permit the Company to defend against such claim will release the Company of the liability to defend against such claim.

ARTICLE IV

Provisions Respecting Damage, Destruction and Condemnation

Section 4.1 Damage and Destruction Provisions. In the event that the Project is destroyed or damaged, by whatever cause, the Company shall have the option (a) to continue to pay the rent and to cause the Project to be repaired or rebuilt to substantially the same condition as prior to the event causing such damage or destruction, with such changes, alterations and modifications as will not impair the utility of the Plant or its character as a "project" under said Act No. 648, or (b) to pay to the Trustee for the account of the Bond and Interest Fund, held by the Trustee under the Mortgage, a sum which, when added to all insurance proceeds which the Trustee has collected on account of such destruction or damage, shall be sufficient to pay the principal of and interest on the Bonds as they mature and come due or to redeem the same.

In the event that the Company shall elect to cause the Project to be repaired or rebuilt, the Company shall continue to make the rental payments provided for in this Lease Agreement and shall cause an estimate to be made of the expense of repairing and rebuilding the Project to substantially the same condition as prior to the event causing such damage or destruction, with such changes, alterations and modifications as shall be specified by the Company and as will not impair the utility of the Plant or its character

as a "project" under said Act No. 648, by a capable and reputable architect or engineer, or both, acceptable to the Board and the Trustee, and the Company shall forthwith pay to the Trustee for the account of the Construction Fund the amount by which such estimate exceeds the insurance proceeds collected by the Trustee on account of such damage or destruction; and the Company shall forthwith proceed with all practicable dispatch to cause the Project to be repaired and rebuilt as aforesaid, and the Board shall cause the expenses thereof to be paid by the Trustee out of the Construction Fund, as in the Mortgage provided. If the cost of repairing and rebuilding the Project exceeds the amount available therefor in the Construction Fund, the Company shall pay any deficiency from its own funds. If the cost of repairing and rebuilding the Project is less than the insurance proceeds collected by the Trustee on account of such damage or destruction, the balance of such insurance proceeds shall be paid into the Bond and Interest Fund and shall be credited to the Lessee as payment of Basic Rent under Section 2.2.

In the event that the Company shall elect not to cause the Project to be repaired or rebuilt, the Company shall forthwith pay to the Trustee a sum of money which, when added to the insurance proceeds, will be sufficient to pay the principal of and interest on the Bonds as they mature and come due or to redeem the same; and upon the payment or retirement of all Bonds and interest thereon and all other obligations under the Mortgage, no further Basic Rent for the Primary Term of the lease shall be due and payable.

Section 4.2 Condemnation Provisions. In the event the Project and the Leased Realty or any part of either shall be taken under the exercise of the power of eminent domain, the net compensation award shall be paid to the Trustee to be applied to the payment of principal of and interest on all Bonds then outstanding or

to redeem the same, with any excess to be paid to the Board, unless the Company shall have notified the Board of its desire to utilize the net condemnation award for the purpose of adapting the Project to Company's continued use. The term "net condemnation award" as used in this Article IV means the total amount awarded as compensation for the property taken, plus damages to any part not taken, less and except (1) any portion thereof to which the Company is entitled under the provisions of Section 4.3 hereof, and (11) all attorneys' fees and other costs and expenses incurred in the condemnation proceedings with respect to which such award was made.

In the event Company elects to cause the Project to be repaired or rebuilt for its continued use, the Company shall continue to make the rental payments provided for in this Lease Agreement and shall cause an estimate to be made of the expenses of such work by a capable and reputable architect or engineer, or both, acceptable to the Board and the Trustee, and the Company shall, prior to the commencement of construction, pay to the Trustee for the account of the Construction Fund the amount, if any, by which such estimate exceeds the net condemnation award; and the Company shall forthwith proceed with all practicable dispatch to cause the Project to be repaired or rebuilt as aforesaid, and the Board shall cause the expenses thereof to be paid by the Trustee out of the Construction Fund. If the cost of repairing or rebuilding the Project exceeds the amount available therefor in the Construction Fund, the Company shall pay any deficiency from its own funds. If the cost of repairing or rebuilding the Project is less than the net condemnation award, the balance of such award shall be paid into the Bond and Interest Fund and shall be credited to the Lessee as payment of Basic Rent under Section 2.2.

In the event the Company does not elect to cause the Project to be repaired or rebuilt for its continued use and the net condemnation award is insufficient to pay or redeem all outstanding Bonds,

the Company shall either (a) pay to the Trustee, for the account of the Bond and Interest Fund a sum which, when added to the proceeds of the net condemnation award which shall be paid to the Trustee, shall be sufficient to pay the principal of and interest on the Bonds as they mature and come due or to redeem the same, or (b) continue to occupy the Leased Realty or any part thereof then remaining and cause the Board to apply the proceeds of the net condemnation award paid to the Trustee to the redemption of Bonds, whereupon the Basic Rent payments will be reduced to the amount required to pay the principal of and interest on the remaining outstanding Bonds as such principal and interest become due and payable.

Section 4.3 Condemnation of Company-Owned Property. The Company shall be entitled to any condemnation award or portion thereof made for damages to or takings of its own property, as well as all other sums awarded as compensation for the interest of the Company in the part of the Project taken and as damages to the interest of the Company in any part thereof not taken, but there shall be deducted therefrom, or paid directly by the Company, all attorneys' fees and other expenses incurred in connection with the receipt of any such award or sum or portion thereof.

ARTICLE V

Certain Provisions Relating to Assignment, Subleasing and Mortgaging and to the Bonds

Section 5.1 Provisions Relating to Assignment and Subleasing. The Company may assign this Lease Agreement, and may sublet the Project or any part thereof, without the necessity of obtaining the consent of either the Board or the Trustee. No such assignment or subleasing shall, however, in any way relieve the Company from primary liability for any of its obligations hereunder, and in the event of any such assignment or subleasing the

Company shall continue to remain primarily liable for payment of all rentals herein provided to be paid by it and for performance and observance of the other agreements and covenants on its part herein provided to be performed and observed by it.

Section 5.2 Mortgaging of Project by Board. The Board may mortgage the Project to the Trustee as security for the payment of the Bonds, subject to this Lease Agreement (which shall be superior to the Mortgage), all as provided in the Mortgage, and may assign its interest in and pledge any monies receivable under this Lease Agreement to the Trustee as security for payment of the principal of and the interest on the Bonds. The Board may in the Mortgage obligate itself to follow the instructions of the Trustee or the holders of the Bonds or a certain percentage thereof in the election or pursuit of any remedies herein vested in it. In the event the Board's interest in this Lease Agreement is so assigned and pledged to the Trustee, the Trustee shall have all rights and remedies herein accorded the Board and any reference herein to the Board shall be deemed, with the necessary changes in detail, to include the Trustee, and the Trustee and the holders of the Bonds shall be deemed to be third party beneficiaries of the covenants and agreements of the Company herein contained. Subsequent to the issuance of the Bonds and prior to their payment in full, the Board and the Company shall have no power to modify, alter, amend or terminate this Lease Agreement without the prior written consent of the Trustee and then only as provided in the Mortgage, provided that the Board and the Company may, without any such consent, make such modifications, alterations and amendments of this Lease Agreement as are specifically authorized in or contemplated by this Lease Agreement or the Mortgage. The Board will not amend the Mortgage or any mortgage supplemental thereto without the prior written consent of the Company. Neither the Board nor the

Company will unreasonably withhold any consent herein or in the Mortgage required of either of them. The Company shall not be deemed to be a party to the Mortgage or the Bonds issued thereunder and reference in this Lease Agreement to said Mortgage and Bonds shall not impose any liability or obligation upon the Company other than its specific obligations and liabilities undertaken in this Lease Agreement.

Section 5.3 Redemption of Bonds. It is understood and agreed by the parties hereto that the amount necessary to redeem Bonds shall include, in addition to the redemption price, all expenses necessary to effect the redemption and interest on the Bonds to be redeemed to the next ensuing date on which they can be redeemed, and, if all Bonds are redeemed, all other obligations under the Mortgage, including the Trustee's fees, charges and expenses. Any payment made by the Company to be applied to the redemption of Bonds shall be made at least 45 days prior to the proposed redemption date and at the time of such payments the Company shall notify the Board and the Trustee in writing as to the purpose of such payment, and the Board, upon receiving such notice, shall be obligated and hereby agrees to take all necessary action to have the payment made by Company for the purpose of redeeming Bonds applied to the redemption of as many Bonds as such payment will permit under the Bond redemption provisions of the Bonds and the Mortgage.

Section 5.4 Payment of Bonds. For purposes of this Lease Agreement, the Bonds shall be deemed fully paid:

(a) If there is on deposit in the Bond and Interest Fund a total amount sufficient to pay the principal of all the then outstanding Bonds plus the interest due thereon until and at their respective maturities and provision for payment of all Trustee's and paying agents' fees, accrued and to accrue, has been made in a manner satisfactory to the Trustee and such paying agents, or

(b) If there have been irrevocably deposited with the Trustee (i) monies sufficient to pay, redeem and retire all the then outstanding Bonds (including, without limitation, principal, premium, interest to maturity or earliest practicable redemption date, as the case may be, expenses of redemption and Trustee's and paying agents' fees), and (ii) evidence satisfactory to the Trustee that all redemption notices required by the Mortgage have been duly given by the Board or irrevocable powers authorizing the Trustee to give such redemption notices.

When the Bonds shall be deemed fully paid as aforesaid the Company shall be entitled to the use and occupancy of the Project from the date of such payment until the expiration of the Primary Term without the payment of any further Basic Rent but otherwise on all the same terms and conditions hereof. If, after full payment of the Bonds, there is any surplus remaining in the Bond and Interest Fund, the Board will promptly pay such surplus to the Company.

ARTICLE VI

Particular Covenants of the Company

Section 6.1 General Covenants. The Company will not do or permit anything to be done on or about the Project that will affect the validity of or impair or contravene any policies of insurance that may be carried on the Project or any part thereof against loss or damage by fire, casualty or otherwise. The Company will, in the use of the Leased Realty and the Plant, the public ways abutting the same and the Leased Equipment, comply with all lawful requirements of all governmental bodies provided, however, the Company may, at its own expense in good faith contest the validity or applicability of any such requirement.

Section 6.2 Inspection of Project. The Company will permit the Board, the Trustee, any holder of not less than \$50,000 principal amount of Bonds and their duly authorized agents (subject to

the restrictions and requirements imposed by contracts with the United States Government or agencies thereof, or by subcontracts governed by such contracts, being performed by the Company, or its subtenant or subtenants, in any part of the Leased Realty or the Project), at all reasonable times to enter upon, examine, inspect and photograph the Leased Realty, the Leased Equipment, the Plant and the Project; and in the event of default as hereinafter provided, the Company will permit any nationally recognized firm of certified public accountants designated by the Trustee to have access to, inspect, examine and make copies of the books and records, accounts and data of the Company.

Section 6.3 Special Covenants. In order that the Board may be reasonably assured of the full payment of rent over the full Primary Term of the Lease,

(a) The Company shall install and maintain proper books of record and account, in which full and correct entries shall be made in accordance with standard accounting practice, of all business and affairs of the Company, and shall furnish to the Board, to the Trustee and to the original purchasers of the Bonds a quarterly balance sheet and income and expense statement prepared in accordance with the Company's usual practice and an annual balance sheet and income and expense statement showing respectively, in reasonable detail, the financial condition of the Company at the close of each such period and its financial operations during each such period. The annual balance sheet and income and expense statement shall be certified in accordance with the standard form of opinion adopted by the American Institute of Accountants, by a certified public accountant who is a member of said American Institute of Accountants and against whom the Trustee makes no reasonable objection.

(b) The Company will at all times keep an office or agency on the Leased Realty where notices, requests and demands in respect of this Lease Agreement may be served.

(c) The Company will duly pay and discharge all taxes, assessments and other governmental charges and liens lawfully imposed upon the properties of the Company, provided, however, the Company shall not be required to pay any taxes, assessments or other governmental charges so long as in good faith it shall contest the validity thereof by appropriate legal proceedings.

(d) The Company will maintain and preserve its Certificate of Incorporation or Charter and its corporate existence and organization, and its authority to do business in the State of Alabama, and will not lease, dissolve or otherwise dispose of all or substantially all of its assets; provided however, the Company may without violating any of the foregoing agreements consolidate with or merge into another corporation or permit one or more other corporations to consolidate with or merge into it, or transfer all or substantially all of its assets to another corporation and thereafter dissolve, but only on condition that (1) the Company shall furnish the Board and the Trustee with evidence in the form of financial statements by an independent certified public accountant or firm of accountants of recognized standing showing that the net assets of the corporation surviving such merger or resulting from such consolidation or to which all or substantially all of the assets are transferred, as the case may be, are at least equal to the net assets of the Company as shown by the last previous such statement of the Company and (2) such corporation shall expressly assume in writing all of the obligations of the Company contained in this Lease Agreement.

ARTICLE VII

Events of Default and Remedies

Section 7.1 Events of Default Defined. The following shall be "events of default" under this Lease Agreement, and the terms "events of default" or "default" shall mean, whenever they are used in this Lease Agreement, any one or more of the following events:

(a) Failure to pay any installment of Basic Rent that has become due and payable by the terms of this Lease Agreement and such default continues for five (5) days after written notice of such non-payment from the Board or the Trustee;

(b) Failure of the Company to perform any of its obligations under this Lease Agreement or to duly observe any covenant, condition or agreement on its part required to be performed, provided such failure shall have continued for a period of thirty days after written notice by the Board or the Trustee specifying such non-performance or breach and requiring the same to be remedied, unless the Trustee shall have agreed in writing to an extension of such time prior to its expiration;

(c) The filing of a voluntary petition in bankruptcy or the commission of any act of bankruptcy by the Company, or the adjudication of the Company as a bankrupt, or the making by the Company of an assignment for the benefit of creditors, or the appointment by final order, judgment or decree of a court of competent jurisdiction of a receiver for the whole or any substantial part of the properties of the Company, provided such receiver shall not have been removed or discharged within sixty days of the date of his qualification, unless the Trustee shall have agreed in writing to an extension of the time within which to remove or discharge said receiver.

Section 7.2 Remedies on Default. Whenever any such event of default shall have happened and be continuing, the Board or the Trustee may take any of the following remedial steps:

(a) The Board or the Trustee may, at their option, declare all installments of Basic Rent payable under this Lease Agreement for the remainder of the Primary Term immediately due and payable;

(b) The Board or the Trustee may reenter and take possession of the Leased Realty, exclude the Company from possession thereof and rent the same for the account of the Company;

(c) The Board or the Trustee may, at their option, terminate the Lease Agreement, exclude the Company from possession of the Leased Realty and, if the Board or Trustee elect so to do, lease the same for the account of the Board, holding the Company liable for all rent due up to the date such lease is made for the account of the Board;

(d) The Board or the Trustee may take whatever action at law or in equity may appear necessary or desirable to collect the rent then due, whether by declaration or otherwise, or to enforce any obligation or covenant or agreement of the Company under this Lease Agreement or by law.

Section 7.3 No Remedy Exclusive. No remedy herein conferred upon or reserved to the Board or the Trustee is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Lease Agreement or now or hereafter existing at law or in equity or by statute. No delay or omission to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver thereof but any such right or power may be exercised from time to time and as often as may be deemed expedient. In order to entitle the Board or the Trustee to exercise any remedy reserved to it in this Article VII, it shall not be necessary to give any notice, other than such notice as is herein expressly required.

Section 7.4 Agreement to Pay Attorneys' Fees. In the event the Trustee (in its own name or in the name and behalf of the Board) files court proceedings to collect Basic Rent due hereunder or to enforce any other obligation, covenant, agreement, term or condition of this Lease Agreement, the Company will pay to the Trustee reasonable attorneys' fees and other expenses so incurred by the Trustee in connection with such court proceedings.

ARTICLE VIII

Options

Section 8.1 Option to Renew. If the Company pays the rental herein reserved to the Board and is not otherwise in default hereunder, it shall have the right and option, herein granted by the Board, to renew the term of this Lease for a period of twenty (20) additional years from midnight of September 30, 1985 (that is, for an additional term expiring on midnight of September 30, 2005) by giving written notice of such renewal to the Board at least sixty (60) days prior to the expiration of the Primary Term. The rental payable by the Company during any such renewal term shall be the sum of \$3,500 per year, payable annually in advance, but otherwise all the terms and conditions herein contained shall apply during such renewal term, except that the Company shall not be required to carry any insurance for the benefit of the Trustee and may, but shall not be required to, carry insurance under subsection (a) of Section 3.3 for the benefit of the Board as its interest may appear.

Section 8.2 Options to Terminate. The Company shall have, if it is not in default hereunder, the following options to cancel or terminate the term of this Lease Agreement:

(a) At any time prior to full payment of the Bonds, the Company may terminate this Lease Agreement by paying to the Board and the Trustee, as additional or prepaid rental, in bankable funds an amount which, when added to the amount on deposit in the Bond and Interest Fund, will be sufficient to pay, retire and redeem all the outstanding Bonds in accordance with the provisions of the Mortgage (including, without limiting the generality of the foregoing, principal, interest to maturity or earliest practicable redemption date, as the case may be, premium, expenses of redemption and Trustee's and paying agents' fees) and by giving to the Board and the Trustee at the time of making such payment, notice in writing that the Company elects to terminate this Lease Agreement.

(b) After full payment of the Bonds, the Company may terminate this Lease Agreement at any time by giving the Board notice in writing not less than sixty (60) days prior to the date on which such termination is to become effective.

ARTICLE IX

Release of Unimproved Leased Realty

Section 9.1 Any part of the Leased Realty may be released from the provisions of this Lease Agreement and the lien of the

Mortgage subject to compliance with the terms, provisions and conditions of this section. Such release shall be effected in the following manner:

(a) The Company shall deliver to the Board and to the Trustee its certificate (i) describing the Leased Realty to be released, which property to be released shall not include any existing buildings except rights granted in party walls and the right to "tie into" existing utilities, and the right to connect and join any building, structure or improvement with existing buildings on the Leased Realty, (ii) describing the buildings, structures, or improvements to be erected on the property to be released and (iii) requesting that the property be so released;

(b) The Company shall also deliver to the Board and to the Trustee a certificate by an architect registered in the State of Alabama with experience in the design and construction of industrial and commercial buildings and structures reasonably satisfactory to the Trustee certifying that the buildings, structures or improvements described in the above certificate by the Company can be constructed on the real property to be released and will not unreasonably interfere with the use and occupancy of the existing building or buildings on the Leased Realty;

(c) The Company shall pay to the Board, or if any Bonds are outstanding, to the Trustee, an amount equal to the product of \$2,272.75 multiplied by the number of acres of the Leased Realty to be released and, if any Bonds are outstanding, the amount so paid shall be deposited in the Bond and Interest Fund; and

(d) The written consent of the Board to the release of such Realty shall be delivered to the Company and to the Trustee which consent shall not be unreasonably withheld if the two certificates hereinabove referred to have been furnished and the Board does not have reasonable cause to believe any statement set forth in any of

said certificates are incorrect. Any Realty so released from this Lease Agreement and the Lien of the Mortgage shall be the unencumbered Realty of the Board and shall be considered real property adjacent to the Leased Realty for the purposes of Sections 3.1 and 10.3 hereof and may be leased by it under separate lease, may be mortgaged by it under separate mortgage which may be a first lien thereon and may be held, conveyed and otherwise used for any of the purpose or purposes for which the Board is incorporated subject to such terms and provisions as may be agreed upon between the Company and the Board. No release or releases effected under the provisions of this section of any realty shall affect the liability or the obligation of the Company for the payment of Basic Rent in the amounts and at the times provided in this Lease Agreement and there shall be no reduction or adjustment in the Basic Rent by reason of the release of any such realty and the obligation and the liability of the Company shall continue in all respects as provided in this Lease Agreement, excluding, however, any realty so released.

ARTICLE X

Miscellaneous

Section 10.1 Covenant of Quiet Enjoyment, Surrender of Project. So long as the Company performs and observes all the covenants and agreements on its part herein contained, it shall peaceably and quietly have, hold and enjoy the Project during the Primary Term, subject to all the terms and provisions hereof. The Company may use the Project for any lawful purpose within the contemplation of Act No. 648 adopted by the 1949 Regular Session of the Legislature, as amended. At the end of the term hereof or any renewal thereof, or upon any prior termination of this Lease Agreement, the Company will surrender possession of the Project peaceably and promptly to the Board in good order and repair, loss by fire or other casualty and ordinary wear and tear only excepted.

Section 10.2 Representations. The Company represents that it has corporate power to enter into this Lease Agreement and to perform all acts herein required to be performed by it and its execution and delivery hereof have been duly authorized by all necessary corporate action. The Board represents that it has corporate power to enter into this Lease Agreement and that its execution and delivery hereof have been duly authorized by all necessary corporate action.

Section 10.3 Retention of Title to Project by Board, Grant of Utility Easements and "Tie-In" of Utility Facilities. The Board will not itself sell, convey or otherwise dispose of all or any part of the Project during the term of this Lease Agreement without the prior written consent of the Company. Neither will the Board dissolve or do anything that will result in the termination of its corporate existence. The Board will, however, grant such utility and other similar easements over, across or under the Leased Realty as shall be requested by the Company and as are necessary or convenient for the efficient operation of the Project. The Board will also, upon request of the Company, (a) grant such utility and other similar easements over, across or under the Leased Realty as shall be necessary or convenient for the furnishing of utility and other similar services to real property adjacent to or near the Leased Realty and owned or leased by the Company, provided that such easements shall not adversely affect the operations of the facilities forming a part of the Project, and (b) in addition to the rights granted the Company in subsection (d) of Section 3.1 hereof, permit any utility and other similar facilities serving the Project to be "tied-into" utility and other similar facilities serving real property adjacent to or near the Leased Realty and owned or leased by the Company, provided that such "tie-in" shall not adversely affect the operation of the

facilities forming a part of the Project and shall be so effected as to be subject to prompt disconnection at minimum expense.

Section 10.4 This Lease a Net Lease. The Company recognizes, understands and acknowledges that it is the intention hereof that this Lease be a net lease and that all the Basic Rent be available for payment of debt service on the Bonds. This Lease Agreement shall be construed to effectuate such intent.

Section 10.5 Installation of New Equipment by the Board. In the event that at any time the Company desires to install in the Project additional machinery and equipment, the Board will, on request of the Company and upon being furnished by the Company with the necessary funds, purchase and install in the Project such additional machinery and equipment, which shall then become and constitute a part of the Project, subject to the lease hereof.

Section 10.6 Notices. All notices hereunder shall be sufficient if sent by United States registered or certified mail, postage prepaid, addressed, if to the Board, at Pelham, Alabama; if to the Company, at Pelham, Alabama (Attention, President); if to the Trustee, at Birmingham, Alabama (Attention, Trust Officer); and if to the original purchasers of the Bonds, to Stubbs, Watkins and Lombardo, Inc., First National Building, Birmingham, Alabama. Any one of the aforesaid may, by like notice, designate any further or different addresses to which subsequent notices shall be sent.

Section 10.7 Prior Agreements Cancelled. This Lease Agreement shall completely and fully supersede all other prior agreements, both written and oral, between the Board and the Company relating to the construction of the Plant, the purchase and installation therein of the Leased Equipment, the leasing of the Project and any options to renew. No party to any such prior agreement shall hereafter have any rights thereunder but shall

look solely to this Lease Agreement for definition and determination of all of its rights, liabilities and responsibilities relating to the construction of the Plant, the purchase and installation therein of the Leased Equipment, the leasing of the Project and any options to renew.

Section 10.8 Board's Liabilities Limited. It is understood and agreed by and between the parties hereto that this Lease Agreement is entered into under and pursuant to the provisions of Act No. 648, adopted at the 1949 Regular Session of the Legislature of the State of Alabama, as amended, and that no section or provision of this Lease Agreement shall be construed so as to give rise to a pecuniary liability of the Board or a charge against its general credit.

Section 10.9 Binding Effect. This Lease Agreement shall inure to the benefit of and shall be binding upon the Board, the Company and their respective successors and assigns.

Section 10.10 Further Option to Renew. If the Company shall have exercised its option to renew the term of this Lease Agreement as provided in Section 8.1 hereof, and if the Company is not then otherwise in default hereunder, it shall have the right and option, herein granted by the Board, to renew the term of this Lease Agreement for a further term of twenty (20) years from the date of the expiration of the renewal term, by giving written notice of such renewal to the Board at least sixty (60) days prior to the expiration of the renewal term. The rental payable by the Company during any such renewal term shall be the sum of \$3,500 per year, payable annually in advance, but otherwise all of the terms and conditions herein contained shall apply during such renewal term except that the Company shall not be required to carry any insurance for the benefit of the Trustee and may, but shall not be required to, carry insurance under subsection

(a) of Section 3.3 for the benefit of the Board as its interests may appear. If the option to renew herein granted shall be held to exceed the permissible period of time allowed by law, the remaining provisions of this Lease Agreement shall stand and the term of the Lease Agreement may, at the option of the Company, be renewed or extended for such period of time, if any, as may be allowed by law, subject, however, to the other terms and conditions provided herein.

Section 10.11 Severability. In the event any provision of this Lease Agreement shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other section or provision hereof.

Section 10.12 Article and Section Captions. The article and section headings and captions contained herein are included for convenience only and shall not be considered a part hereof or affect in any manner the construction or interpretation hereof.

IN WITNESS WHEREOF, the Board and the Company have caused this Lease Agreement to be executed in their respective corporate names, have caused their respective corporate seals to be hereunto affixed, and have caused this Lease Agreement to be attested, all by their duly authorized officers, and have caused this Lease Agreement to be dated as of October 1, 1965.

S E A L

Attest:

James Long
Its Secretary

THE INDUSTRIAL DEVELOPMENT BOARD
OF THE TOWN OF PELHAM

By Ralph Lovell
Chairman of its Board of Directors

S E A L

Attest:

W. L. French
Its President & Secretary

MOORE-HANDLEY, INCORPORATED

By W. L. French
Its President

STATE OF ALABAMA)

Jefferson COUNTY)

I, the undersigned Notary Public in and for said County in said State, hereby certify that Ralph Lovell, whose name as Chairman of the Board of Directors of The Industrial Development Board of the Town of Pelham is signed to the foregoing Lease Agreement and who is known to me and known to be such officer, acknowledged before me on this day that, being informed of the contents of said Lease Agreement, he, in his capacity as such officer and with full authority, executed the same voluntarily for and as the act of said corporation.

Given under my hand and seal of office, this 24th day of

November, 1965.

NOTARIAL SEAL

My commission expires: _____

MY COMMISSION EXPIRES JULY 16, 1967

C. W. Scott
Notary Public
State of Alabama

STATE OF ALABAMA)

Jefferson COUNTY)

I, the undersigned Notary Public in and for said County in said State, hereby certify that W. W. French, whose name as President of Moore-Handley, Incorporated, a corporation, is signed to the foregoing Lease Agreement, and who is known to me and known to be such officer, acknowledged before me on this day that, being informed of the contents of said Lease Agreement, he, as such officer and with full authority, executed the same voluntarily for and as the act of said corporation.

Given under my hand and seal of office, this 24th day of

November, 1965.

NOTARIAL SEAL

My commission expires: _____

MY COMMISSION EXPIRES JULY 16, 1967

C. W. Scott
Notary Public
State of Alabama

EXHIBIT A

Exhibit A to this Lease Agreement, the Mortgage and Indenture of Trust dated October 1, 1965, is recorded in volume 296 at pages 801 et. seq. of the record of mortgages in the office of the Judge of Probate of Shelby County, Alabama.

STATE OF ALA. SHELBY CO.
I CERTIFY THIS INSTRUMENT
WAS FILED ON 11/24/65
RECORDED & INDEXED
& \$..... PD. ON THIS
Conrad H. ...
JUDGE OF PROBATE